

March 25, 2015

VIA EMAIL

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Re: In re Lehman Brothers Holding Inc.
Debtors in Case No. 08-13555 (collectively "Lehman")

As to: Order Establishing a Protocol to Resolve Claims Filed by Trustees of
Certain Residential Mortgage-Backed Securities dated December 29,
2014 (the "Protocol Order")

Dear Todd:

As you requested in your March 17 letter, the RMBS Trustees hereby update Lehman on the status of their efforts to collect loan files from the master servicers, Nationstar Mortgage LLC ("Nationstar") and Wells Fargo Bank, National Association ("Wells Fargo"),¹ and the primary mortgage loan servicers ("servicers") who have contractual relationships with Nationstar and Wells Fargo in their capacities as Master Servicers.

There are 12 servicers who maintain approximately 214,000 Covered Loan files.² All of the servicers have been notified by both the Master Servicers and the RMBS Trustees to provide the loan files.

¹ Nationstar and Wells Fargo in their capacities as Master Servicers are referred to collectively as the "Master Servicers." Nationstar and Wells Fargo also are primary mortgage loan servicers.

² A list of the servicers and the number of Covered Loans for which each servicer has servicing responsibilities is attached as Exhibit 1.

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As summarized below, all of the servicers have agreed to provide the Covered Loan files, to the extent they have them, and to provide them as promptly as feasible, including by hiring of temporary staff to retrieve or image loan files, or both. Based on multiple oral and written communications with each servicer, the RMBS Trustees expect to receive a majority of the loan files by the middle of May and substantially all of the loan files by not later than the end of July with the potential exceptions noted below.³

The RMBS Trustees have submitted more than 2,000 loan files from over 4,000 reviewed loans to Lehman and will have submitted claims on over 10,000 reviewed loan files by March 31, 2015. The RMBS Trustees believe that they will have submitted claims to Lehman on 50,000 reviewed loan files by June 30, 2015.

A. Initial Protocol Compliance Steps

Promptly after the December 10, 2014 hearing (the "Hearing"), the RMBS Trustees coordinated with Lehman and delivered demand letters to Nationstar and Wells Fargo as Master Servicers to have their servicers provide the Covered Loan files to the RMBS Trustees. The RMBS Trustees demand letters detailed for each of the 255 Covered Trusts the Covered Loan files to be produced. Nationstar is Master Servicer for 252 of the Covered Trusts; Wells Fargo is Master Servicer for 3 of the Covered Trusts.⁴ Nationstar is also a servicer with responsibility for 64,700 Covered Loans. Wells Fargo is also a servicer with responsibility for 8,748 Covered Loans.

³ To the extent that there may be a deviation from any servicer's undertaking to provide Covered Loan files, the RMBS Trustees will take action to bring the matter to the Bankruptcy Court for relief.

⁴ Wells Fargo requested that the initial demand letter be resubmitted, as U.S. Bank was the only appropriate Trustee to request Covered Loan files for the 3 Covered Trusts. The demand letter was revised and resubmitted to the satisfaction of Wells Fargo.

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As required by Nationstar, the RMBS Trustees negotiated and entered into a Confidentiality Agreement with Nationstar so that the Covered Loan files could be provided.

B. Review Firms

After the Hearing, the RMBS Trustees immediately identified and began negotiations with review firms to undertake the review of Covered Loan files for material breaches of representations and warranties. The RMBS Trustees have negotiated and entered into master service agreements, statements of work, and confidentiality agreements with five review firms to ensure the requisite capacity to meet the review timetable set forth in the Protocol Order. The five review firms are:

1. Digital Risk, LLC;
2. Opus Capital Markets Consultants, LLC;
3. The Oak Leaf Group;
4. EdgeMac;
5. Cross Check Compliance LLC

**C. RMBS Trustees' Ongoing Efforts
To Retrieve Covered Loan Files**

In addition to sending written demands to the Master Servicers, starting during the first full week of January 2015, the RMBS Trustees sent demand letters to each of the servicers (except Aurora, with whom Duff & Phelps, the RMBS Trustees' financial advisor, has been in weekly contact), and have had telephone conversations with each servicer regarding its retrieval of the loan files.

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In addition to the Confidentiality Agreement with Nationstar, servicers have required additional confidentiality agreements directly with them, which have been negotiated and executed.

While each servicer has stated its intention to cooperate, servicers have reported issues with retrieving the loan files. First, the sheer volume of loan files requested is far more than the typical few hundred the servicers have been asked to provide in the past, and some of the servicers have a queue of requests that they are obligated to fulfill. It takes time to assemble the loan files, particularly as (1) the servicers do not have all the files electronically and must first image them (as Aurora is arranging with Iron Mountain to do at a shared expense with the RMBS Trustees), and are hiring temporary staff to assist with the assembly of the loan files (Ocwen and CitiMortgage); (2) the servicers do not have the origination files and the servicing files in the same place; (3) a couple of servicers maintain that they returned the origination files to Aurora (Colonial Savings and Midwest); and (4) servicing has switched hands which makes locating loan files difficult.

Because the servicers, thus far, have stated their willingness to comply with the loan file requests, the RMBS Trustees have not had the need to seek the Court's assistance to compel compliance. The RMBS Trustees will not hesitate to pursue Court relief if any servicer balks or fails to meet its stated delivery schedule.

1. Nationstar (64,700)

Nationstar has begun delivering loan files. Nationstar has advised that it expects to have delivered substantially all of the 64,700 loan files by the end of April.

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2. Aurora (60,375)

Aurora initially delivered 51,100 loan files in December. After review, 5,676 were determined by Digital Risk to be incomplete. On January 30, 2015, Aurora provided documents for 4,321 of the incomplete loan files, and has since provided some additional loan files, but approximately 1,300 loan files are still incomplete.

In addition to the 51,100 loan files, Aurora determined that partially imaged loan files (10,568) have paper files housed at Iron Mountain that must be imaged to complete the loan files. They will be imaged by Iron Mountain, with the cost being shared equally by Aurora and the RMBS Trusts. Aurora has advised that Iron Mountain expects to begin providing imaged files in a few weeks.

3. Ocwen (54,804)

Ocwen has advised that it would need to hire temporary help to retrieve the more than 54,000 loan files. Ocwen, through its counsel (Orrick), has retained Evolve Discovery to aid the retrieval, and the RMBS Trusts are paying for that expense.

Ocwen has advised that there is an issue with ResCap regarding the GMAC Mortgage loans (9,358) that Ocwen took over as servicer. Ocwen has explained that the loan files are not imaged or organized and has commenced an adversary proceeding for costs related to retrieving these loan files. *See* Case No. 12-12020 (MG), Adv. Pro. No. 14-02388 (MG), Dkt. Nos. 8129, 8130. We are uncertain whether and when these loan files may be provided.

4. CitiMortgage Inc. (12,314)

CitiMortgage has provided the servicing files, but has hired 24 temporaries to assemble the origination files which have to be imaged. CitiMortgage has advised that it expects deliveries to begin the week of April 3, 2015 and weekly thereafter.

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5. Wells Fargo (8,748)

Wells Fargo advised that about 1,900 of the loan files have to be imaged, which it has undertaken to do. Wells Fargo also advised that it was not able to identify about 3,000 of the requested loan files. The RMBS Trustees have provided additional information about those loans to assist Wells Fargo in identifying them.

Wells Fargo has advised that it expects delivery of loan files to Nationstar (not directly to the RMBS Trustees) to begin later this week. We expect to hear from Wells Fargo about the loan files that had not previously been identified.

6. Chase (4,358)

Chase has advised that it expects rolling productions to begin starting the week of April 3, 2015.

7. Select Portfolio Servicing Inc. (1,747)

Select Portfolio Servicing Inc., or SPS as it is known in the industry, is hiring a vendor to put the loan files onto an encrypted hard drive. The loan files are expected before the end of July.

8. Bank of America (1,461)

Bank of America delivered the origination files earlier in March. Bank of America has proposed an FTP site or extracting information fields for the servicing files, which are separately maintained. Bank of America will either set up the FTP site for a potential solution or undertake to image and provide the servicing files, as Aurora has declined the information field documentation.

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9. Colonial Savings (509)

Colonial Savings advised that it has the servicing files, but had returned the origination files to Aurora, who states that the origination files must have been retained by Colonial. A further demand has been made to Colonial to search for the origination files.

Colonial Savings has advised that it will be providing the servicing files, which the RMBS Trustees anticipate will be received in April.

10. Midwest Loan Services Inc. (33)

Midwest advised that it has the servicing filings, but had returned the origination files to Aurora, who states that the origination files must have been retained by Midwest. A further demand has been made to Midwest to search for the origination files.

Midwest provided the servicing files in mid-March. Midwest is searching to see if the origination files may be elsewhere.

11. PHH Mortgage (Mortgage Family) (9)

PHH mortgage provided 5 substantially incomplete loan files. We have had ongoing communications to track down the missing documents and the other 4 loan files.

12. Bank of Hawaii (1)

Bank of Hawaii provided its one loan file. The loan had been paid in full.

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Sincerely yours,

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Exhibit 1

EXHIBIT 1

	Servicer	Loan Files*
1.	NATIONSTAR MORTGAGE LLC	64,700
2.	AURORA LOAN SERVICES LLC	60,375
3.	OCWEN LOAN SERVICING LLC	44,804
a.	OCWEN (FKA GMAC MORTGAGE)	9,358
b.	HOMEWARD RESIDENTIAL INC. (FKA AHMSI)	1,223
c.	HOMEQ SERVICING	131
d.	LITTON LOAN SERVICING	10
4.	CITIMORTGAGE INC	12,314
5.	WELLS FARGO	8,748
6.	CHASE	4,357
a.	WASHINGTON MUTUAL	1
7.	SELECT PORTFOLIO SERVICING INC. (AKA SPS)	1,747
8.	BANK OF AMERICA, N.A. (FKA BAC HOME LOANS SERVICING LP)	1,461
9.	COLONIAL SAVINGS	509
10.	MIDWEST LOAN SERVICES INC.	33
11.	PHH MORTGAGE (MORTGAGE FAMILY)	9
12.	BANK OF HAWAII	1

* The above numbers do not include the Sample.